

**Executive Summary – Enforcement Matter – Case No. 46121**

**Valero Refining-Texas, L.P.**

**RN100211663**

**Docket No. 2013-0248-IWD-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

IWD

**Small Business:**

No

**Location(s) Where Violation(s) Occurred:**

Valero Corpus Christi Refinery East Plant, located at 1300 Cantwell Lane, east of Navigation Boulevard, and approximately 0.5 mile north of IH-37, northwest of Corpus Christi, Nueces County

**Type of Operation:**

Petroleum refinery

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** July 26, 2013

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$8,438

**Amount Deferred for Expedited Settlement:** \$1,687

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$6,751

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**SEP Conditional Offset:** \$0

Name of SEP: N/A

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** September 2011

**Executive Summary – Enforcement Matter – Case No. 46121  
Valero Refining-Texas, L.P.  
RN100211663  
Docket No. 2013-0248-IWD-E**

***Investigation Information***

**Complaint Date(s):** N/A  
**Complaint Information:** N/A  
**Date(s) of Investigation:** November 6, 2012  
**Date(s) of NOE(s):** January 11, 2013

***Violation Information***

Failed to prevent the unauthorized discharge of contaminated storm water into or adjacent to any water in the state. Specifically, on April 16, 2012, to prevent the overflow from the surge tank, an estimated 561,000 gallons of contaminated storm water was pumped to an earthen containment area surrounding Tank 201 [30 TEX. ADMIN. CODE § 305.125(4), TEX. WATER CODE § 26.121(a)(1), and Texas Pollutant Discharge Elimination System Permit No. WQ0000465000, Permit Conditions No. 2.g].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

Respondent has implemented the following corrective measures:

- a. By March 21, 2012, initiated a project to convert Tank 202 into a storm water tank;
- b. By April 20, 2012, removed, treated, tested, and properly disposed of contaminated soil and contaminated storm water from the affected area; and
- c. By November 8, 2012, converted Tank 202 into a storm water tank to hold contaminated storm water to prevent further overflows of the surge tank.

**Technical Requirements:**

N/A

***Litigation Information***

**Date Petition(s) Filed:** N/A  
**Date Answer(s) Filed:** N/A  
**SOAH Referral Date:** N/A  
**Hearing Date(s):** N/A  
**Settlement Date:** N/A

**Executive Summary – Enforcement Matter – Case No. 46121**  
**Valero Refining-Texas, L.P.**  
**RN100211663**  
**Docket No. 2013-0248-IWD-E**

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Heather Brister, Enforcement Division,  
Enforcement Team 1, MC R-09, (254) 761-3034; Candy Garrett, Enforcement Division,  
MC 219, (512) 239-1456

**TCEQ SEP Coordinator:** N/A

**Respondent:** Dennis Payne, Vice-President & General Manager, Valero Refining-  
Texas, L.P., P.O. Box 9370, Corpus Christi, Texas 78469

**Respondent's Attorney:** N/A





# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

**TCEQ**

|              |                 |             |                  |             |                |  |
|--------------|-----------------|-------------|------------------|-------------|----------------|--|
| <b>DATES</b> | <b>Assigned</b> | 14-Jan-2013 | <b>Screening</b> | 28-Jan-2013 | <b>EPA Due</b> |  |
|              | <b>PCW</b>      | 29-Jan-2013 |                  |             |                |  |

## RESPONDENT/FACILITY INFORMATION

|                             |                             |                           |       |
|-----------------------------|-----------------------------|---------------------------|-------|
| <b>Respondent</b>           | Valero Refining-Texas, L.P. |                           |       |
| <b>Reg. Ent. Ref. No.</b>   | RN100211663                 |                           |       |
| <b>Facility/Site Region</b> | 14-Corpus Christi           | <b>Major/Minor Source</b> | Major |

## CASE INFORMATION

|  |                 |                              |                    |
|--|-----------------|------------------------------|--------------------|
| <b>Enf./Case ID No.</b>                | 46121           | <b>No. of Violations</b>     | 1                  |
| <b>Docket No.</b>                      | 2013-0248-IWD-E | <b>Order Type</b>            | 1660               |
| <b>Media Program(s)</b>                | Water Quality   | <b>Government/Non-Profit</b> | No                 |
| <b>Multi-Media</b>                     |                 | <b>Enf. Coordinator</b>      | Heather Brister    |
|  |                 | <b>EC's Team</b>             | Enforcement Team 1 |
| <b>Admin. Penalty \$ Limit Minimum</b> | \$0             | <b>Maximum</b>               | \$25,000           |

## Penalty Calculation Section

|   |                   |         |
|---|-------------------|---------|
| <b>TOTAL BASE PENALTY (Sum of violation base penalties)</b> | <b>Subtotal 1</b> | \$3,750 |
|---|-------------------|---------|

## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

|                           |                    |                                |         |
|---------------------------|--------------------|--------------------------------|---------|
| <b>Compliance History</b> | 100.0% Enhancement | <b>Subtotals 2, 3, &amp; 7</b> | \$3,750 |
|---------------------------|--------------------|--------------------------------|---------|

**Notes**  
Enhancement for one NOV with similar violations, two NOVs with dissimilar violations, four orders with denial of liability, and two orders without denial of liability. Reduction for five Notices of Intent to conduct an audit and two disclosures of violations.

|                    |    |                  |                   |     |
|--------------------|----|------------------|-------------------|-----|
| <b>Culpability</b> | No | 0.0% Enhancement | <b>Subtotal 4</b> | \$0 |
|--------------------|----|------------------|-------------------|-----|

**Notes**  
The Respondent does not meet the culpability criteria.

|  |                   |       |
|--|-------------------|-------|
| <b>Good Faith Effort to Comply Total Adjustments</b> | <b>Subtotal 5</b> | \$937 |
|--|-------------------|-------|

|                         |                    |                   |         |
|-------------------------|--------------------|-------------------|---------|
| <b>Economic Benefit</b> | 50.0% Enhancement* | <b>Subtotal 6</b> | \$1,875 |
|-------------------------|--------------------|-------------------|---------|

Total EB Amounts \$73,524  
Approx. Cost of Compliance \$1,935,000  
\*Capped at the Total EB \$ Amount

|                             |                       |         |
|-----------------------------|-----------------------|---------|
| <b>SUM OF SUBTOTALS 1-7</b> | <b>Final Subtotal</b> | \$8,438 |
|-----------------------------|-----------------------|---------|

|   |      |                   |     |
|---|------|-------------------|-----|
| <b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b> | 0.0% | <b>Adjustment</b> | \$0 |
|---|------|-------------------|-----|

Reduces or enhances the Final Subtotal by the indicated percentage.

**Notes**

|                             |         |
|-----------------------------|---------|
| <b>Final Penalty Amount</b> | \$8,438 |
|-----------------------------|---------|

|                                   |                               |         |
|-----------------------------------|-------------------------------|---------|
| <b>STATUTORY LIMIT ADJUSTMENT</b> | <b>Final Assessed Penalty</b> | \$8,438 |
|-----------------------------------|-------------------------------|---------|

|                 |                 |                   |          |
|-----------------|-----------------|-------------------|----------|
| <b>DEFERRAL</b> | 20.0% Reduction | <b>Adjustment</b> | -\$1,687 |
|-----------------|-----------------|-------------------|----------|

Reduces the Final Assessed Penalty by the indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)

**Notes**

Deferral offered for expedited settlement.

|                        |         |
|------------------------|---------|
| <b>PAYABLE PENALTY</b> | \$6,751 |
|------------------------|---------|

Screening Date 28-Jan-2013

Docket No. 2013-0248-IWD-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 3 (September 2011)

Case ID No. 46121

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100211663

Media [Statute] Water Quality

Enf. Coordinator Heather Brister

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

| Component                     | Number of...   | Enter Number Here | Adjust. |
|-------------------------------|--|-------------------|---------|
| NOVs                          | Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )  | 1                 | 5%      |
|                               | Other written NOVs   | 2                 | 4%      |
| Orders                        | Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )  | 4                 | 80%     |
|                               | Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission | 2                 | 50%     |
| Judgments and Consent Decrees | Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )                              | 0                 | 0%      |
|                               | Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government  | 0                 | 0%      |
| Convictions                   | Any criminal convictions of this state or the federal government ( <i>number of counts</i> )   | 0                 | 0%      |
| Emissions                     | Chronic excessive emissions events ( <i>number of events</i> )   | 0                 | 0%      |
| Audits                        | Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )     | 5                 | -5%     |
|                               | Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )  | 2                 | -4%     |
| Please Enter Yes or No        |  |                   |         |
| Other                         | Environmental management systems in place for one year or more   | No                | 0%      |
|                               | Voluntary on-site compliance assessments conducted by the executive director under a special assistance program  | No                | 0%      |
|                               | Participation in a voluntary pollution reduction program   | No                | 0%      |
|                               | Early compliance with, or offer of a product that meets future state or federal government environmental requirements  | No                | 0%      |

Adjustment Percentage (Subtotal 2) 130%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

## Compliance History Notes

Enhancement for one NOV with similar violations, two NOVs with dissimilar violations, four orders with denial of liability, and two orders without denial of liability. Reduction for five Notices of Intent to conduct an audit and two disclosures of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) 130%

## &gt;&gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% 100%

Screening Date 28-Jan-2013

Docket No. 2013-0248-IWD-E

PCW

Respondent Valero Refining-Texas, L.P.

Policy Revision 3 (September 2011)

Case ID No. 46121

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100211663

Media [Statute] Water Quality

Enf. Coordinator Heather Brister

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code § 305.125(4), Tex. Water Code § 26.121(a)(1), and Texas Pollutant Discharge Elimination System Permit No. WQ0000465000, Permit Conditions No. 2.g

Violation Description

Failed to prevent the unauthorized discharge of contaminated storm water into or adjacent to any water in the state, as documented during an investigation conducted on November 6, 2012. Specifically, on April 16, 2012, to prevent the overflow from the surge tank, an estimated 561,000 gallons of contaminated storm water was pumped to an earthen containment area surrounding Tank 201.

Base Penalty \$25,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

|                | Major | Moderate | Minor |
|----------------|-------|----------|-------|
| Release Actual |       |          | x     |
| Potential      |       |          |       |

Percent 15.0%

## &gt;&gt; Programmatic Matrix

| Falsification | Major | Moderate | Minor |
|---------------|-------|----------|-------|
|               |       |          |       |

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

## Violation Events

Number of Violation Events 1

4 Number of violation days

mark only one  
with an x

|              |   |
|--------------|---|
| daily        |   |
| weekly       |   |
| monthly      |   |
| quarterly    | x |
| semiannual   |   |
| annual       |   |
| single event |   |

Violation Base Penalty \$3,750

One quarterly event is recommended from the date of the discharge (April 16, 2012) to the date the unauthorized discharge was cleaned up (April 20, 2012).

## Good Faith Efforts to Comply

25.0% Reduction

\$937

Before NOV NOV to EDPRP/Settlement Offer

|               |   |               |
|---------------|---|---------------|
| Extraordinary |   |               |
| Ordinary      | x |               |
| N/A           |   | (mark with x) |

Notes

The Respondent achieved compliance on November 8, 2012.

Violation Subtotal \$2,813

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$73,524

Violation Final Penalty Total \$8,438

This violation Final Assessed Penalty (adjusted for limits) \$8,438

# Economic Benefit Worksheet

**Respondent** Valero Refining-Texas, L.P.  
**Case ID No.** 46121  
**Reg. Ent. Reference No.** RN100211663  
**Media** Water Quality  
**Violation No.** 1

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0              | 15                    |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
| No commas or \$  |           |               |            |     |                |               |           |

## Delayed Costs

|                          |             |             |             |      |         |          |          |
|--------------------------|-------------|-------------|-------------|------|---------|----------|----------|
| Equipment                |             |             |             | 0.00 | \$0     | \$0      | \$0      |
| Buildings                |             |             |             | 0.00 | \$0     | \$0      | \$0      |
| Other (as needed)        |             |             |             | 0.00 | \$0     | \$0      | \$0      |
| Engineering/construction | \$1,860,000 | 16-Apr-2012 | 8-Nov-2012  | 0.56 | \$3,499 | \$69,984 | \$73,483 |
| Land                     |             |             |             | 0.00 | \$0     | n/a      | \$0      |
| Record Keeping System    |             |             |             | 0.00 | \$0     | n/a      | \$0      |
| Training/Sampling        |             |             |             | 0.00 | \$0     | n/a      | \$0      |
| Remediation/Disposal     | \$75,000    | 16-Apr-2012 | 20-Apr-2012 | 0.01 | \$41    | n/a      | \$41     |
| Permit Costs             |             |             |             | 0.00 | \$0     | n/a      | \$0      |
| Other (as needed)        |             |             |             | 0.00 | \$0     | n/a      | \$0      |

Notes for DELAYED costs

Actual cost to convert Tank No. 202 into a storm water tank to prevent further overflows from the surge tank. Estimated cost to remove, treat, test, and properly dispose of contaminated soil and contaminated storm water from the affected area. Date required is the investigation date. Final dates are the dates when clean up was completed and of compliance.

## Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

|                               |  |  |  |      |     |     |     |
|-------------------------------|--|--|--|------|-----|-----|-----|
| Disposal                      |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Personnel                     |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Supplies/equipment            |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Financial Assurance [2]       |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3]    |  |  |  | 0.00 | \$0 | \$0 | \$0 |
| Other (as needed)             |  |  |  | 0.00 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,935,000

**TOTAL**

\$73,524



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## TCEQ Compliance History Report

**PUBLISHED** Compliance History Report for CN600127468, RN100211663, Rating Year 2012 which includes Compliance History (CH) components from September 1, 2007, through August 31, 2012.

**Customer, Respondent, or Owner/Operator:** CN600127468, Valero Refining-Texas, L.P. **Classification:** SATISFACTORY **Rating:** 11.61

**Regulated Entity:** RN100211663, VALERO CORPUS CHRISTI REFINERY EAST PLANT **Classification:** SATISFACTORY **Rating:** 9.45

**Complexity Points:** 43

**Repeat Violator:** NO

**CH Group:** 02 - Oil and Petroleum Refineries

**Location:** 1300 CANTWELL LN, EAST OF NAVIGATION BOULEVARD, AND APPROXIMATELY 0.5 MILE NORTH OF INTERSTATE HIGHWAY 37, NORTHWEST OF CORPUS CHRISTI, NUECES COUNTY, TEXAS

**TCEQ Region:** REGION 14 - CORPUS CHRISTI

### ID Number(s):

**AIR OPERATING PERMITS** ACCOUNT NUMBER NE0043A

**AIR OPERATING PERMITS** PERMIT 2238

**INDUSTRIAL AND HAZARDOUS WASTE** PERMIT 50261

**INDUSTRIAL AND HAZARDOUS WASTE** EPA ID  
TXD008132268

**WASTEWATER** PERMIT WQ0000465000

**AIR NEW SOURCE PERMITS** REGISTRATION 71884

**AIR NEW SOURCE PERMITS** PERMIT 1084

**AIR NEW SOURCE PERMITS** PERMIT 2937

**AIR NEW SOURCE PERMITS** PERMIT 11456

**AIR NEW SOURCE PERMITS** REGISTRATION 13764

**AIR NEW SOURCE PERMITS** REGISTRATION 21563

**AIR NEW SOURCE PERMITS** REGISTRATION 41936

**AIR NEW SOURCE PERMITS** AFS NUM 4835500018

**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX1023M1

**AIR NEW SOURCE PERMITS** REGISTRATION 78472

**AIR NEW SOURCE PERMITS** REGISTRATION 87486

**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX1023M2

**AIR NEW SOURCE PERMITS** REGISTRATION 95585

**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX1023M3

**AIR NEW SOURCE PERMITS** REGISTRATION 102329

**AIR NEW SOURCE PERMITS** REGISTRATION 107521

**IHW CORRECTIVE ACTION** SOLID WASTE REGISTRATION  
# (SWR) 30530

**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER NE0043A

**AIR OPERATING PERMITS** PERMIT 1231

**AIR OPERATING PERMITS** PERMIT 2250

**INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE  
REGISTRATION # (SWR) 30530

**INDUSTRIAL AND HAZARDOUS WASTE** EPA ID  
TXD063085567

**WASTEWATER** EPA ID TX0006904

**AIR NEW SOURCE PERMITS** ACCOUNT NUMBER NE0043A

**AIR NEW SOURCE PERMITS** PERMIT 1085

**AIR NEW SOURCE PERMITS** PERMIT 10923

**AIR NEW SOURCE PERMITS** REGISTRATION 11652

**AIR NEW SOURCE PERMITS** PERMIT 2180A

**AIR NEW SOURCE PERMITS** PERMIT 22390

**AIR NEW SOURCE PERMITS** REGISTRATION 75588

**AIR NEW SOURCE PERMITS** REGISTRATION 72781

**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX1023

**AIR NEW SOURCE PERMITS** REGISTRATION 78481

**AIR NEW SOURCE PERMITS** REGISTRATION 84566

**AIR NEW SOURCE PERMITS** REGISTRATION 92232

**AIR NEW SOURCE PERMITS** REGISTRATION 101544

**AIR NEW SOURCE PERMITS** REGISTRATION 99899

**AIR NEW SOURCE PERMITS** REGISTRATION 101863

**AIR NEW SOURCE PERMITS** REGISTRATION 105635

**WASTEWATER LICENSING** LICENSE WQ0000465000

**POLLUTION PREVENTION PLANNING** ID NUMBER  
P01014

**Compliance History Period:** September 01, 2007 to August 31, 2012 **Rating Year:** 2012 **Rating Date:** 09/01/2012

**Date Compliance History Report Prepared:** March 20, 2013

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** March 20, 2008 to March 20, 2013

**TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.**

**Name:** Heather Brister

**Phone:** (254) 761-3034

### **Site and Owner/Operator History:**

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If YES for #2, who is the current owner/operator? N/A
- 4) If YES for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If YES, when did the change(s) in owner or operator occur? N/A

### **Components (Multimedia) for the Site Are Listed in Sections A - J**

#### **A. Final Orders, court judgments, and consent decrees:**

- 1 Effective Date: **04/14/2008** ADMINORDER 2007-1189-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov:No.: 2937 PERMIT  
PSD-TX-1023M1 PERMIT  
Description: This permit authorizes emissions only from those points listed in the attached table entitled "Emission Sources - Emission Caps and Individual Emission Limitations".
- 2 Effective Date: **11/17/2008** ADMINORDER 2007-1545-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter F 101.211(b)(1)(H)  
30 TAC Chapter 101, SubChapter F 101.211(b)(1)(I)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Description: Failed to submit an administratively complete final report within two weeks after the end of the activity. Specifically, the Respondent failed to individually list all compounds or mixtures of air contaminants involved in the emissions activity, their estimated total quantities, the authorized emissions limits for those contaminants, and the preconstruction authorization in the final report for Incident Number 87955.  
Classification: Major  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THC Chapter 382, SubChapter D 382.085(b)  
Rqmt Prov:TCEQ Air Permit 2937/PSD-TX-1023MI PERMIT  
Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 63.38 lbs of benzene, 2,173.93 lbs of VOCs, 67.95 lbs of toluene, 19.5 lbs of xylene and 6.3 lbs of ethylbenzene during a maintenance activity involving Tank 102 that began March 6, 2007 and lasted 24 hours.
- 3 Effective Date: **08/23/2009** ADMINORDER 2007-1813-MLM-E (Findings Order-Agreed Order Without Denial)  
Classification: Major  
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(1)(B)  
Description: Failure to comply with hazardous waste tank requirements.  
Classification: Major  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)  
30 TAC Chapter 335, SubChapter A 335.4  
30 TAC Chapter 335, SubChapter B 335.43(a)  
Description: Failure to prevent the unauthorized discharge of untreated industrial wastewater and contact storm water from Tank 109 to the tank containment area and the discharge of oil from Tank 100 and allowing it to mix with the accumulated storm water inside the tank containment area.  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov:SC 18 PERMIT  
Description: Failure to maintain particulate matter emissions on Complex 8 FCCU (EPN 12-CO-STK) at or below the permitted limit of one pound per 1,000 pounds coke burn-off. An emission rate of 1.08 pounds per 1,000 pounds coke burn-off was documented during a performance test conducted on August 15, 2007.

Effective Date: **09/21/2009** ADMINORDER 2009-0288-AIR-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)

5C THSC Chapter 382 382.085(b)

Rqmt Prov:Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 59,497 lbs of CO, 1,509.61 lbs of SO<sub>2</sub>, 849.14 lbs of PM, 136 lbs of NO<sub>x</sub>, 131.71 lbs of H<sub>2</sub>SO<sub>4</sub> and 20.23 lbs of VOCs from the Fluid Catalytic Cracking Unit during an avoidable emissions event that began May 18, 2008 and lasted 10 hours and 48 minutes. A differential pressure indicator became plugged with catalyst and mistakenly indicate an erroneous pressure reading, resulting in a

reversal of hot oil and catalyst

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov:Special Condition No. 1 PERMIT

STC No. 21 OP

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 723.15 lbs of SO<sub>2</sub>, 7.38 lbs H<sub>2</sub>S, 6.09 lbs of CO, 0.84 lbs of NO<sub>x</sub> and 8.39 lbs of VOCs from the Vacuum Unit during a foreseeable emissions event (Incident No. 112938) that began August 21, 2008 and lasted 48 minutes.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(D)

30 TAC Chapter 101, SubChapter F 101.201(b)(1)(G)

30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov:2238 - SC No. (2)(F) OP

Description: Failed to submit an administratively complete final report for Incident No. 113325. Specifically, the Respondent failed to list the compounds released from Tail Gas Unit Incinerator No. 1 and the total quantities of air contaminants released during the event

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov:2238 -SC Nos. 21 & 23 OP

Flexible Permit No. 2937 - SC No. 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 1,036.1 lbs of SO<sub>2</sub>, 6.33 lbs hydrogen sulfide ("H<sub>2</sub>S"), 1.38 lbs of CO, 1.17 lbs of sulfur, 0.42 lbs of carbonyl sulfide, 0.27 lbs of NO<sub>x</sub> and 0.27 lbs of carbon disulfide from the Sulfur Recovery Unit during an avoidable emissions event (Incident No. 113325) that began August 30, 2008 and lasted 43 minutes. The unauthorized release was the result of a fuel gas valve malfunction resulting in the shutdown of the feed

Effective Date: **12/18/2009** ADMINORDER 2009-0510-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)

30 TAC Chapter 101, SubChapter F 101.201(c)

5C THSC Chapter 382 382.085(b)

Description: Failed to submit the final report for Incident No. 116693 in timely manner. Specifically, the report was due November 30, 2008 and submitted on December 1, 2008.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 101, SubChapter A 101.20(2)  
30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 113, SubChapter C 113.120  
30 TAC Chapter 116, SubChapter G 116.715(a)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.112b(a)(1)(i)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT Kb 60.112b(a)(1)(iv)  
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.351(a)(1)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(b)(1)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.119(b)(6)  
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.133(a)(2)(ii)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov:[2937/PSD-TX-1023M1] Special Condition 1 PERMIT  
Permit O-2250, Spec. Terms & Cond. No. 1 OP

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 338.32 lbs of VOCs, 21.87 lbs of benzene, 13.34 lbs of toluene, 12.24 lbs of H<sub>2</sub>S, 5.22 lbs of xylene and 1.23 lbs ethylbenzene during an avoidable emissions event (Incident No. 116871) that began November 19, 2008 and lasted 45 hours. The unauthorized release was the result of a failure to bolt or fasten covers on each access hatch to form an air-tight seal on Tank 9. Since there was no air tight seal, benzene water

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov:[2937/PSD-TX-1023M1] Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,669.45 lbs of SO<sub>2</sub>, 39.78 lbs of H<sub>2</sub>S, 4.59 lbs of CO, 0.90 lbs of NO<sub>x</sub>, 0.16 lbs of VOCs and 0.04 lbs of ammonia during an emissions event (Incident No. 116693) that began November 16, 2008 and lasted 48 minutes. The unauthorized release was the result of an electronic component malfunction that caused the acid gas feed control valve to malfunction. Because the final report for this emissions event was submitted late

6 Effective Date: **11/18/2011** ADMINORDER 2010-0909-MLM-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov:Permit 2937, Special Condition 10.A. PERMIT

Description: Failed to comply with the 0.035 lb of NO<sub>x</sub> per million British thermal units ("lb NO<sub>x</sub>/MMBtu") on an hourly averaging period for Boiler Nos. 1, 2 and 5, as reported in the semi-annual deviation reports for the annual compliance certification periods of November 24, 2007 through November 23, 2008 and November 24, 2008 through November 23, 2009 at the Corpus Christi Refinery East Plant.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)

Rqmt Prov:Flexible Permit 2937, SC 1 PERMIT

Description: Failed to prevent unauthorized emissions at the Corpus Christi Refinery East Plant.

## B. Criminal convictions:

N/A

## C. Chronic excessive emissions events:

N/A

**D. The approval dates of investigations (CCEDS Inv. Track. No.):**

|         |                    |          |
|---------|--------------------|----------|
| Item 1  | March 31, 2008     | (640957) |
| Item 2  | April 08, 2008     | (636416) |
| Item 3  | April 14, 2008     | (641040) |
| Item 4  | April 18, 2008     | (690060) |
| Item 5  | May 05, 2008       | (654417) |
| Item 6  | May 21, 2008       | (690061) |
| Item 7  | May 23, 2008       | (680306) |
| Item 8  | May 28, 2008       | (671660) |
| Item 9  | May 30, 2008       | (641327) |
| Item 10 | May 31, 2008       | (532287) |
| Item 11 | June 10, 2008      | (641355) |
| Item 12 | June 12, 2008      | (636082) |
| Item 13 | June 16, 2008      | (690062) |
| Item 14 | July 17, 2008      | (710843) |
| Item 15 | August 20, 2008    | (688327) |
| Item 16 | August 25, 2008    | (710844) |
| Item 17 | September 18, 2008 | (710845) |
| Item 18 | October 09, 2008   | (704922) |
| Item 19 | October 22, 2008   | (727556) |
| Item 20 | October 31, 2008   | (705894) |
| Item 21 | December 03, 2008  | (708988) |
| Item 22 | December 15, 2008  | (720987) |
| Item 23 | December 16, 2008  | (727559) |
| Item 24 | December 22, 2008  | (709272) |
| Item 25 | January 21, 2009   | (750372) |
| Item 26 | February 19, 2009  | (768431) |
| Item 27 | February 25, 2009  | (735573) |
| Item 28 | March 27, 2009     | (750371) |
| Item 29 | April 08, 2009     | (740281) |
| Item 30 | April 22, 2009     | (768432) |
| Item 31 | April 30, 2009     | (742256) |
| Item 32 | May 21, 2009       | (768433) |
| Item 33 | June 09, 2009      | (747146) |
| Item 34 | June 10, 2009      | (746935) |
| Item 35 | June 22, 2009      | (748756) |
| Item 36 | July 09, 2009      | (749787) |
| Item 37 | July 20, 2009      | (924852) |
| Item 38 | August 02, 2009    | (761871) |
| Item 39 | August 20, 2009    | (924853) |
| Item 40 | September 05, 2009 | (739607) |
| Item 41 | September 22, 2009 | (924854) |
| Item 42 | October 06, 2009   | (777079) |
| Item 43 | October 14, 2009   | (779041) |
| Item 44 | October 19, 2009   | (924855) |
| Item 45 | November 17, 2009  | (782605) |
| Item 46 | November 23, 2009  | (924856) |
| Item 47 | December 03, 2009  | (783645) |
| Item 48 | December 21, 2009  | (924857) |
| Item 49 | January 19, 2010   | (785428) |
| Item 50 | January 20, 2010   | (788420) |
| Item 51 | January 27, 2010   | (789406) |
| Item 52 | January 28, 2010   | (789587) |
| Item 53 | February 18, 2010  | (792451) |
| Item 54 | February 19, 2010  | (792055) |
| Item 55 | February 26, 2010  | (793930) |
| Item 56 | March 22, 2010     | (830974) |
| Item 57 | March 25, 2010     | (796350) |
| Item 58 | April 21, 2010     | (830975) |
| Item 59 | May 20, 2010       | (800211) |
| Item 60 | May 21, 2010       | (830976) |

|          |                    |           |
|----------|--------------------|-----------|
| Item 61  | May 26, 2010       | (924858)  |
| Item 62  | June 21, 2010      | (846298)  |
| Item 63  | June 22, 2010      | (803894)  |
| Item 64  | July 28, 2010      | (842255)  |
| Item 65  | August 03, 2010    | (841450)  |
| Item 66  | August 04, 2010    | (844065)  |
| Item 67  | August 09, 2010    | (844426)  |
| Item 68  | August 20, 2010    | (866862)  |
| Item 69  | August 25, 2010    | (849769)  |
| Item 70  | September 17, 2010 | (860255)  |
| Item 71  | September 22, 2010 | (873930)  |
| Item 72  | September 27, 2010 | (864992)  |
| Item 73  | October 15, 2010   | (866198)  |
| Item 74  | October 18, 2010   | (866661)  |
| Item 75  | November 22, 2010  | (896275)  |
| Item 76  | December 20, 2010  | (896276)  |
| Item 77  | January 01, 2011   | (902333)  |
| Item 78  | January 11, 2011   | (872428)  |
| Item 79  | February 15, 2011  | (893691)  |
| Item 80  | February 22, 2011  | (909118)  |
| Item 81  | March 21, 2011     | (916371)  |
| Item 82  | April 25, 2011     | (924850)  |
| Item 83  | April 26, 2011     | (914116)  |
| Item 84  | May 03, 2011       | (915061)  |
| Item 85  | May 23, 2011       | (938056)  |
| Item 86  | May 31, 2011       | (922844)  |
| Item 87  | June 06, 2011      | (922997)  |
| Item 88  | June 20, 2011      | (932928)  |
| Item 89  | June 22, 2011      | (945424)  |
| Item 90  | June 30, 2011      | (934167)  |
| Item 91  | July 21, 2011      | (952653)  |
| Item 92  | August 22, 2011    | (948927)  |
| Item 93  | August 29, 2011    | (951041)  |
| Item 94  | September 13, 2011 | (950784)  |
| Item 95  | September 14, 2011 | (950565)  |
| Item 96  | September 22, 2011 | (965370)  |
| Item 97  | October 21, 2011   | (971409)  |
| Item 98  | November 04, 2011  | (964458)  |
| Item 99  | November 21, 2011  | (977566)  |
| Item 100 | November 23, 2011  | (968460)  |
| Item 101 | December 09, 2011  | (969950)  |
| Item 102 | December 22, 2011  | (974874)  |
| Item 103 | December 27, 2011  | (984336)  |
| Item 104 | January 03, 2012   | (974525)  |
| Item 105 | January 13, 2012   | (974982)  |
| Item 106 | January 24, 2012   | (990634)  |
| Item 107 | February 13, 2012  | (970831)  |
| Item 108 | February 21, 2012  | (1010087) |
| Item 109 | March 22, 2012     | (1003522) |
| Item 110 | May 22, 2012       | (1016478) |
| Item 111 | June 07, 2012      | (1001039) |
| Item 112 | June 13, 2012      | (1008992) |
| Item 113 | June 22, 2012      | (1024200) |
| Item 114 | July 23, 2012      | (1031593) |
| Item 115 | July 24, 2012      | (1020870) |
| Item 116 | August 03, 2012    | (1022507) |
| Item 117 | August 22, 2012    | (1009915) |
| Item 118 | September 18, 2012 | (1031013) |
| Item 119 | September 24, 2012 | (1046703) |
| Item 120 | October 19, 2012   | (1041082) |
| Item 121 | October 22, 2012   | (1060973) |

|          |                   |           |
|----------|-------------------|-----------|
| Item 122 | October 31, 2012  | (1035340) |
| Item 123 | November 19, 2012 | (1045913) |
| Item 124 | November 26, 2012 | (1060974) |
| Item 125 | December 06, 2012 | (1043323) |
| Item 126 | January 25, 2013  | (1052926) |
| Item 127 | March 07, 2013    | (1073630) |
| Item 128 | March 13, 2013    | (1057629) |
| Item 129 | March 14, 2013    | (1074547) |

#### E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

- 1
 

|              |  |                          |
|--------------|--|--------------------------|
| Date:        | <b>05/21/2012</b> (1006775)  | CN600127468              |
| Self Report? | NO   | Classification: Moderate |
| Citation:    | [FOP No. O-02250] GTC & STC No. 21 OP<br>[Pmt 2937/PSD-TX-1023M2] SC 24E PERMIT<br>30 TAC Chapter 101, SubChapter A 101.20(1)<br>30 TAC Chapter 101, SubChapter A 101.20(3)<br>30 TAC Chapter 115, SubChapter D 115.322(4)<br>30 TAC Chapter 116, SubChapter B 116.115(c)<br>30 TAC Chapter 122, SubChapter B 122.143(4)<br>40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)<br>5C THSC Chapter 382 382.085(b)  |                          |
| Description: | Failure to equip each OEL with a cap, blind flange, plug, or a second valve. Specifically, Valero failed to equip 4 OELs (Tag Nos. E21460.13 [found on 05/10/10], E21461.43 [found on 05/10/10], RW9918.1 [found on 05/12/10], and QTK-0872 [found on 10/04/10]), in VOC and HAP service, subject to 28 VHP requirements, with a cap or blind flange, as identified in the deviation reports for the reporting periods of 12/08/10-06/07/11 and 06/08/11-12/07/11, respectively. |                          |
- 2
 

|              |  |                          |
|--------------|--|--------------------------|
| Date:        | <b>07/25/2012</b> (1019809)  | CN600127468              |
| Self Report? | NO   | Classification: Moderate |
| Citation:    | 30 TAC Chapter 101, SubChapter A 101.20(1)<br>30 TAC Chapter 101, SubChapter A 101.20(3)<br>30 TAC Chapter 115, SubChapter D 115.322(4)<br>30 TAC Chapter 116, SubChapter B 116.115(c)<br>30 TAC Chapter 122, SubChapter B 122.143(4)<br>40 CFR Part 60, Subpart VV 60.482-6<br>5C THSC Chapter 382 382.085(b)<br>Special Condition No. 23(E) PERMIT<br>Special Condition No. 25 PERMIT<br>Special Term & Condition No. 1 OP<br>Special Terms and Conditions No. 21 OP |                          |
| Description: | Failure to equip each open-ended valve or line with a cap, blind flange, plug, or second valve. Specifically, Valero Refining - Texas, L.P. discovered thirty-nine open-ended lines from April 18 through July 7, 2011 and fifty-four open-ended lines from November 10, 2011 to March 14, 2012.   |                          |
- 3
 

|              |  |                          |
|--------------|--|--------------------------|
| Date:        | <b>11/30/2012</b> (1060975)  | CN600127468              |
| Self Report? | YES  | Classification: Moderate |
| Citation:    | 2D TWC Chapter 26, SubChapter A 26.121(a)<br>30 TAC Chapter 305, SubChapter F 305.125(1) |                          |
| Description: | Failure to meet the limit for one or more permit parameter                               |                          |

#### F. Environmental audits:

Notice of Intent Date: 05/20/2009 (759300)  
 Disclosure Date: 09/13/2010  
 Viol. Classification: Minor  
 Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-1(a)  
 Description: Failed to have documentation available that stated that all new equipment had been incorporated into the LDAR program and initially monitored in a timely manner.  
 Viol. Classification: Minor  
 Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-5(b)  
 Description: Failed to operate the sampling connection system such that the purged process fluid was collected in accordance with Subpart W.

Viol. Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter D 115.322(4)  
40 CFR Part 60, Subpart VV 60.482-6

Description: Failed to cap open ended lines in process units.

Viol. Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter D 115.322(2)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(2)

Description: Failed to make an attempt at repair or a retest within 5 days, or the final repair within 15 days after the detection of a leak. Also, there were instances where components were not re-monitored after the initial or subsequent repair attempts.

Viol. Classification: Minor  
Citation: 40 CFR Part 60, Subpart VV 60.482-8

Description: Failed to prevent stains from forming below fugitive piping components that were not accounted for in the AVO program.

Viol. Classification: Minor  
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-9(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-9(e)

Description: Failed to repair two valves in the HDS unit that were designated for delay of repair during the process unit shutdown which occurred in October or December 2007.

Viol. Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter D 115.325(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.485(b)

Description: Instances were discovered where time between monitoring was less than twice the instrument response time when a deflection was measured or was faster than physically possible due to the instrument response time or the time required to move to the next.

Viol. Classification: Minor  
Citation: 30 TAC Chapter 115, SubChapter D 115.325(1)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.485(b)

Description: Failed to monitor at all of the potential leak interfaces on a control valve.

Viol. Classification: Minor  
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.485(b)

Description: Expired calibration gass were used at the 4 applicable leak definitions (500, 2,000, 3,000 and 10,000 ppmv) from 9/15/06.

Viol. Classification: Minor  
Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.182(d)

Description: Failed to include the pump monitoring results and the number of non repaired pumps in the semi-annual report for the first half of 2006.

Viol. Classification: Minor  
Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.487(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.487(c)

Description: Failed to identify the number of non repaired valves or pumps on 4 previous NSPS VV periodic reports during the two years prior to the audit.

Notice of Intent Date: 07/26/2010 (873305)  
No DOV Associated

Notice of Intent Date: 02/18/2011 (905295)  
Disclosure Date: 04/27/2012

Viol. Classification: Major  
Citation: 30 TAC Chapter 106, SubChapter X 106.533

Description: Failure to have PBRs for 35 remediation wells, RW57-RW90 and RWQ02

Notice of Intent Date: 07/26/2011 (981728)  
No DOV Associated

Notice of Intent Date: 08/07/2012 (1023725)  
No DOV Associated



**G. Type of environmental management systems (EMSs):**

N/A

**H. Voluntary on-site compliance assessment dates:**

N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A



# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
VALERO REFINING-TEXAS, L.P.  
RN100211663**

**§ BEFORE THE  
§ TEXAS COMMISSION ON  
§ ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2013-0248-IWD-E**

### **I. JURISDICTION AND STIPULATIONS**

On \_\_\_\_\_, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Valero Refining-Texas, L.P. ("Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a petroleum refinery located at 1300 Cantwell Lane, east of Navigation Boulevard, and approximately 0.5 mile north of Interstate Highway 37, northwest of Corpus Christi, Nueces County, Texas (the "Facility").
2. The Respondent has discharged industrial waste into or adjacent to any water in the state under TEX. WATER CODE ch. 26.
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about January 16, 2013.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Eight Thousand Four Hundred Thirty-Eight Dollars (\$8,438) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Six Thousand Seven Hundred Fifty-

One Dollars (\$6,751) of the administrative penalty and One Thousand Six Hundred Eighty-Seven Dollars (\$1,687) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Facility:
  - a. By March 21, 2012, initiated a project to convert Tank 202 into a storm water tank;
  - b. By April 20, 2012, removed, treated, tested, and properly disposed of contaminated soil and contaminated storm water from the affected area; and
  - c. By November 8, 2012, converted Tank 202 into a storm water tank to hold contaminated storm water to prevent further overflows of the surge tank.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have to prevent the unauthorized discharge of contaminated storm water into or adjacent to any water in the state, in violation of 30 TEX. ADMIN. CODE § 305.125(4), TEX. WATER CODE § 26.121(a)(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0000465000, Permit Conditions No. 2.g, as documented during an investigation conducted on November 6, 2012. Specifically, on April 16, 2012, to prevent the overflow from the surge tank, an estimated 561,000 gallons of contaminated storm water was pumped to an earthen containment area surrounding Tank 201.

### III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Valero Refining-Texas, L.P., Docket No. 2013-0248-IWD-E" to:  
  
Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088
2. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
4. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.
-

## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

  
For the Executive Director

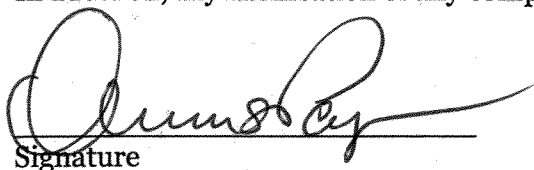
8/22/13  
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
Signature

5/24/2013  
Date

Dennis Payne  
Name (Printed or typed)  
Authorized Representative of  
Valero Refining-Texas, L.P.

Vice-President & General Manager  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.